

**COLUMBIA RIVER PEOPLE'S UTILITY DISTRICT  
Special Meeting – Budget Advisory Committee  
October 23, 2018**

**A. CONVENE MEETING**

The Special Meeting of the Board of Directors of the Columbia River PUD was called to order by Vice President Harry Price, at the Deer Island District Office at 5:30 p.m. The following individuals were present:

**Directors:**

Rob Mathers  
Craig Melton  
Harry Price  
Debbie Reed

**Staff:**

John Nguyen  
Lonny Lee  
Tim Lammers  
Rachel Swanson

Branden Staehely  
Heidi Ralls  
Eli Crape

Kristen Dean  
Lil Guisinger  
Sonia Wendelschafer

**Committee:**

Jack Carter  
Dave Lawrence

Bill Eagle  
Charles Petersen

Grant Gillis  
Dave Thranum

Rita Bernhard

**Public:**

None

**B. DISCUSSION ITEMS**

J. Nguyen advised that the special meeting was called to discuss the proposed 2019 Operating and Capital Budget. Introductions were made and the agenda for the evening was reviewed.

As a follow-up to questions from the last meeting, staff presented information on the PUD's cyber security coverage, services provided to seniors and low-income customers, e-billing, and the underground versus overhead ratio.

T. Lammers reviewed the overall goals for the 5-year Facility Maintenance plan including routine inspections and maintenance of the headquarters building and grounds, outside the fence at substations, the addition of emergency doors, and any repairs as needed.

L. Lee reviewed the 5-Year plan goals for IT including outsourcing processes that use industry standard tools, top 20 critical security controls, and hardware and software upgrades. Discussion occurred on the benefits and costs of storing information on the cloud as well as redundancy for access to critical information.

E. Crape reviewed vehicle and equipment replacement for the line crews and the need for an additional outside covered storage area in the warehouse yard. B. Staehely presented the 5-Year Capital plan for vehicle replacement.

B. Staehely discussed the 5-year plan for improving reliability and maintaining the electrical system while remaining regulatory compliant. There was discussion on the age of assets and replacement of overhead to underground. B. Staehely continued with the long-range plan to replace substation transformers, provided an update on the construction of the new Betsy Johnson Substation, and provided additional information

on general upgrades throughout the electrical system. Of note, the substation transformers are typically replaced around the 50 year age. Discussion occurred on the lifecycle and purchase of substation transformers.

L. Guisinger provided a detailed description of the cash management policy. She reviewed the methodology for the target cash calculation. Currently, the minimum required balance is 90-days cash on hand which equals \$7.8 million. The Board's target cash balance equals \$8.5 million, and the projected 2019 year-end balance falls between the two at \$8.3 million.

J. Nguyen commended staff on their diligence in seeking out new ways to be efficient in their processes while increasing the cash balance. He reminded the committee that the budget was still undergoing revisions and invited committee members to contact Lil Guisinger with any questions prior to the Budget Hearing slated for the December Board Meeting.

The Board expressed their thanks to the Committee and staff. No action was taken.

The meeting adjourned at 6:45 p.m.

**Columbia River People's Utility District**

By  \_\_\_\_\_  
**Heidi Ralls, Board Secretary**